



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-943, C-570-944]

Oil Country Tubular Goods from the People's Republic of China: Final Results of Antidumping and Countervailing Duty Changed Circumstances Reviews

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: On February 14, 2022, the Department of Commerce (Commerce) published the initiation and preliminary results of the changed circumstances reviews of the antidumping and countervailing duty orders on oil country tubular goods (OCTG) from the People's Republic of China (China). For these final results, Commerce continues to find that HLDS (B) Steel Sdn Bhd (HLDS (B)) and HLD Clark Steel Pipe Co., Inc. (HLD Clark) (collectively, HLD companies) are eligible to participate in a certification process because the HLD companies have demonstrated that they can identify OCTG that they produced in either Brunei or the Philippines using non-Chinese hot-rolled steel.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.]

FOR FURTHER INFORMATION CONTACT: Yang Jin Chun, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5760.

SUPPLEMENTARY INFORMATION:

Background:

On November 26, 2021, Commerce found that imports of welded OCTG completed in Brunei or the Philippines using inputs manufactured in China are circumventing the antidumping

and countervailing duty orders on OCTG from China.¹ In the *Final Determinations*, Commerce found that welded OCTG “assembled or completed in Brunei or the Philippines using non-Chinese inputs is not subject to these circumvention inquiries,” but because the HLD companies were “unable to track welded OCTG to the country of origin of inputs used in the production of welded OCTG,” Commerce decided not to “implement a certification process for welded OCTG already suspended,” and required “cash deposits on all entries of welded OCTG produced in either Brunei or the Philippines.”² However, Commerce indicated that “producers and/or exporters in Brunei or the Philippines may request reconsideration of our denial of the certification process in a future segment of the proceeding, *i.e.*, a changed circumstances review or administrative review.”³

On December 23, 2021, the HLD companies submitted changed circumstances review requests, in which they claimed that they are able to identify and segregate welded OCTG made using non-Chinese hot-rolled steel by either HLDS (B) in Brunei or HLD Clark in the Philippines and then subsequently exported from either Brunei or the Philippines to the United States.⁴ The HLD companies request that Commerce find them eligible for certification of these welded OCTG as non-subject merchandise. In response to Commerce’s requests for additional information, the HLD companies submitted their supplemental responses on January 18, 2022,⁵ and January 24, 2022.⁶

Commerce preliminarily determined “that the HLD companies are now able to identify and effectively segregate welded OCTG produced by either HLDS (B) in Brunei or HLD Clark

¹ See *Oil Country Tubular Goods from the People’s Republic of China: Final Affirmative Determinations of Circumvention*, 86 FR 67443 (November 26, 2021) (*Final Determinations*); see also *Certain Oil Country Tubular Goods from the People’s Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order*, 75 FR 28551 (May 21, 2010); and *Certain Oil Country Tubular Goods from the People’s Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 75 FR 3203 (January 20, 2010).

² See *Final Determinations*, 86 FR at 67444.

³ *Id.*

⁴ See HLD Companies’ Letters, “Request for Changed Circumstances Review,” dated December 23, 2021; and “First Supplemental Questionnaire Response,” dated January 18, 2022 (First Supplemental Response).

⁵ See First Supplemental Response.

⁶ See HLD Companies’ Letter, “Second Supplemental Questionnaire Response,” dated January 24, 2022.

in the Philippines using non-Chinese hot-rolled steel from other OCTG produced at their facilities.”⁷

No party commented on the *Initiation and Preliminary Results* regarding Commerce’s analysis of the HLD companies’ practices to track the country of origin of the hot-rolled steel they used to produce OCTG which are exported to the United States, the sufficiency of the certification process, or the certification language.

Scope of the Orders

The scope of these orders consists of certain OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the orders also covers OCTG coupling stock. Excluded from the scope of the orders are casing or tubing containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise covered by the orders is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50,

⁷ See *Oil Country Tubular Goods from the People’s Republic of China: Initiation and Preliminary Results of Antidumping and Countervailing Duty Changed Circumstances Reviews*, 87 FR 8230, 8231 (February 14, 2022) (*Initiation and Preliminary Results*).

7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.

The OCTG coupling stock covered by the orders may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, and 7304.59.80.80.

The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of the orders is dispositive.

Final Results of Changed Circumstances Reviews

Commerce is conducting these changed circumstances reviews in accordance with sections 751(b)(1) and 777(i) of the Act and 19 CFR 351.216. For the reasons stated in the *Initiation and Preliminary Results*, and because we received no comments from interested parties, we continue to find that, since the publication of the *Final Determinations*, “the HLD companies are now able to identify and effectively segregate welded OCTG produced by either HLDS (B) in Brunei or HLD Clark in the Philippines using non-Chinese hot-rolled steel from other OCTG produced at their facilities.”⁸

Accordingly, effective on the publication date of these final results, the HLD companies and their exporters and importers will be eligible to certify that welded OCTG produced by either HLDS (B) in Brunei or HLD Clark in the Philippines and exported from either Brunei or the Philippines were produced using non-Chinese hot-rolled steel. OCTG entering the United

⁸ See *Initiation and Preliminary Results*, 87 FR at 8231.

States with such certification, which may be subject to verification, will not be subject to suspension of liquidation or a requirement to post cash deposits of estimated antidumping and countervailing duties. The final certification language is attached as an appendix to this notice.

Suspension of Liquidation and Certification Requirements

In accordance with 19 CFR 351.225(l)(3), the suspension of liquidation instructions will remain in effect until further notice. Commerce will direct CBP to suspend liquidation and to require a cash deposit of estimated duties on unliquidated entries of welded OCTGs produced (*i.e.*, assembled or completed) by either HLDS (B) in Brunei or HLD Clark in the Philippines using Chinese hot-rolled steel and exported from either Brunei or the Philippines that were entered, or withdrawn from warehouse, for consumption on or after the date of initiation of the changed circumstances reviews.

Welded OCTG produced by either HLDS (B) in Brunei or HLD Clark in the Philippines using non-Chinese hot-rolled steel and exported from either Brunei or the Philippines are not subject to the antidumping and countervailing duty orders on OCTG from China. However, imports of such merchandise are subject to certification requirements, and cash deposits may be required if the certification requirements are not satisfied. Accordingly, if an importer enters welded OCTG produced by either HLDS (B) in Brunei or HLD Clark in the Philippines and exported from either Brunei or the Philippines and claims that the welded OCTG was produced from non-Chinese hot-rolled steel, in order not to be subject to cash deposit requirements, the importer and exporter are required to meet the certification and documentation requirements described herein and in the certifications contained in the appendix. Where no certification is provided for an entry of welded OCTG produced by either HLDS (B) in Brunei or HLD Clark in the Philippines and exported from either Brunei or the Philippines to the United States, the antidumping and countervailing duty orders on OCTG from China apply to that entry and Commerce intends to instruct CBP to suspend the entry and collect cash deposits of estimated

antidumping duties equal to the rate established for the China-wide entity, *i.e.*, 99.14 percent,⁹ and cash deposits of estimated countervailing duties equal to the current all-others rate, *i.e.*, 27.08 percent.¹⁰

For shipments and/or entry summaries made on or after the date of publication of the initiation of the changed circumstances reviews through 30 days after the date of publication of the final results of these changed circumstances reviews for which certifications are required, importers and exporters should complete the required certification within 30 days after the publication of the final results of these changed circumstances reviews in the *Federal Register*. Accordingly, where appropriate, the relevant item in the certification should be modified to reflect that the certification was completed within the time frame specified above. For such entries/shipments, importers and exporters each have the option to complete a blanket certification covering multiple entries/shipments, individual certifications for each entry/shipment, or a combination thereof. For shipments and/or entries made on or after 31 days after the date of publication of the final results of these changed circumstances reviews in the *Federal Register*, for which certifications are required, importers should complete the required certification at or prior to the date of entry summary, and exporters should complete the required certification and provide it to the importer at or prior to the date of shipment.

Notification to Interested Parties

We are issuing and publishing the notice of these final results in accordance with sections 751(b)(1) and 777(i) of the Act, and 19 CFR 351.216.

Dated: March 14, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

⁹ See *Oil Country Tubular Goods from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 84 FR 32125, 32126 (July 5, 2019).

¹⁰ See *Oil Country Tubular Goods from the People's Republic of China: Notice of Court Decision Not in Harmony With the Amended Final Determination of the Countervailing Duty Investigation*, 82 FR 25770 (June 5, 2017).

Appendix

EXPORTER CERTIFICATION

Special Instructions: The party that made the sale to the United States should fill out the exporter certification. Only parties that exported welded OCTG produced by either HLDS (B) Steel Sdn. Bhd. in Brunei or HLD Clark Steel Pipe Co., Inc. in the Philippines are eligible for this certification process.

I hereby certify that:

- A. My name is {COMPANY OFFICIAL'S NAME} and I am an official of {NAME OF EXPORTING COMPANY}, located at {ADDRESS};
- B. I have direct personal knowledge of the facts regarding the production and exportation of the welded oil country tubular goods (OCTG) identified below. "Direct personal knowledge" refers to facts the certifying party is expected to have in its own books and records. For example, an exporter should have direct personal knowledge of the producer's identity and location.
- C. Welded OCTG produced in either Brunei or the Philippines and covered by this certification were not manufactured using hot-rolled steel produced in the People's Republic of China (China).
- D. This certification applies to the following sales to {NAME OF U.S. CUSTOMER}, located at {ADDRESS OF U.S. CUSTOMER}. (repeat this block as many times as necessary):

Foreign Seller's Invoice # to U.S. Customer:

Foreign Seller's Invoice to U.S. Customer Line item #:

Producer Name:

Producer's Address:

Producer's Invoice # to Foreign Seller: (If the foreign seller and the producer are the same party, put NA here.)

- E. The welded OCTG covered by this certification were shipped to {NAME OF U.S. PARTY TO WHOM MERCHANDISE WAS SHIPPED}, located at {U.S. ADDRESS TO WHICH MERCHANDISE WAS SHIPPED}.
- F. I understand that {NAME OF EXPORTING COMPANY} is required to maintain a copy of this certification and sufficient documentation supporting this certification (*i.e.*, documents maintained in the normal course of business, or documents obtained by the certifying party, for example, mill certificates, production records, invoices, *etc.*) for the later of (1) a period of five years from the date of entry or (2) a period of three years after the conclusion of any litigation in the United States courts regarding such entries.
- G. I understand that {NAME OF EXPORTING COMPANY} must provide a copy of this Exporter Certification to the U.S. importer by the date of shipment.

- H. I understand that {NAME OF EXPORTING COMPANY} is required to provide a copy of this certification and supporting records, upon request, to U.S. Customs and Border Protection (CBP) and/or the Department of Commerce (Commerce).
- I. I understand that the claims made herein, and the substantiating documentation are subject to verification by CBP and/or Commerce.
- J. I understand that failure to maintain the required certification and/or failure to substantiate the claims made herein, and/or failure to allow CBP and/or Commerce to verify the claims made herein, may result in a *de facto* determination that all sales to which this certification applies are within the scope of the antidumping and countervailing duty orders on welded OCTG from China. I understand that such finding will result in:
1. suspension of all unliquidated entries (and entries for which liquidation has not become final) for which these requirements were not met; and
 2. the requirement that the importer post applicable antidumping and countervailing duty cash deposits (as appropriate) equal to the rates as determined by Commerce; and
 3. the revocation of {NAME OF EXPORTING COMPANY}'s privilege to certify future exports of welded OCTG from either Brunei or the Philippines as not manufactured using hot-rolled steel from China.
- K. This certification was completed at or prior to the date of shipment;
- L. I am aware that U.S. law (including, but not limited to, 18 U.S.C. 1001) imposes criminal sanctions on individuals who knowingly and willfully make material false statements to the U.S. government.

Signature

NAME OF COMPANY OFFICIAL

TITLE

DATE

IMPORTER CERTIFICATION

I hereby certify that:

- A. My name is {IMPORTING COMPANY OFFICIAL'S NAME} and I am an official of {NAME OF IMPORTING COMPANY}, located at {ADDRESS OF IMPORTING COMPANY}.
- B. I have direct personal knowledge of the facts regarding the importation into the Customs territory of the United States of welded oil country tubular goods (OCTG) produced in either Brunei or the Philippines that entered under entry summary number(s) identified below and are covered by this certification. "Direct personal knowledge" refers to facts the certifying party is expected to have in its own records. For example, the importer should have direct personal knowledge of the importation of the product (*e.g.*, the name of the exporter) in its records.
- C. If the importer is acting on behalf of the first U.S. customer, complete this paragraph, if not put "NA" at the end of this paragraph: welded OCTG covered by this certification were imported by {NAME OF IMPORTING COMPANY} on behalf of {NAME OF U.S. CUSTOMER}, located at {ADDRESS OF U.S. CUSTOMER}.
- D. Welded OCTG covered by this certification were shipped to {NAME OF PARTY TO WHOM MERCHANDISE WAS FIRST SHIPPED IN THE UNITED STATES}, located at {ADDRESS OF SHIPMENT}.
- E. I have personal knowledge of the facts regarding the production of the welded OCTG identified below. "Personal knowledge" includes facts obtained from another party, (*e.g.*, correspondence received by the importer (or exporter) from the producer regarding the country of manufacture of the imported products).
- F. Welded OCTG covered by this certification were not manufactured using hot-rolled steel produced in the People's Republic of China (China).
- G. This certification applies to the following entries (repeat this block as many times as necessary):

Entry Summary #:

Entry Summary Line Item #: Foreign Seller:

Foreign Seller's Address: Foreign Seller's Invoice #:

Foreign Seller's Invoice Line Item #:

Producer:

Producer's Address:

- H. I understand that {NAME OF IMPORTING COMPANY} is required to maintain a copy of this certification and sufficient documentation supporting this certification (*i.e.*, documents maintained in the normal course of business, or documents obtained by the certifying party, for example, mill certificates, production records, invoices, *etc.*) for the

later of (1) a period of five years from the date of entry, or (2) a period of three years after the conclusion of any litigation in the United States courts regarding such entries.

- I. I understand that {NAME OF IMPORTING COMPANY} is required to provide this certification and supporting records to U.S. Customs and Border Protection (CBP) and/or the Department of Commerce (Commerce), upon request by the respective agency.
- J. I understand that {NAME OF IMPORTING COMPANY} is required to maintain a copy of the exporter's certification (attesting to the production and/or export of the imported merchandise identified above), and any supporting records provided by the exporter to the importer, for the later of (1) a period of five years from the date of entry or (2) a period of three years after the conclusion of any litigation in United States courts regarding such entries.
- K. I understand that {NAME OF IMPORTING COMPANY} is required, upon request, to provide a copy of the exporter's certification and any supporting records provided by the exporter to the importer, to CBP and/or Commerce.
- L. I understand that the claims made herein, and the substantiating documentation, are subject to verification by CBP and/or Commerce.
- M. I understand that failure to maintain the required certifications, and/or failure to substantiate the claims made herein, and/or failure to allow CBP and/or Commerce to verify the claims made herein, may result in a de facto determination that all entries to which this certification applies are within the scope of the antidumping and countervailing duty orders on welded OCTG from China. I understand that such finding will result in:
 - 1. suspension of liquidation of all unliquidated entries (and entries for which liquidation has not become final) for which these requirements were not met;
 - 2. the requirement that the importer post applicable antidumping and countervailing duty cash deposits (as appropriate) equal to the rates determined by Commerce; and
 - 3. the revocation of {NAME OF IMPORTING COMPANY}'s privilege to certify future imports of welded OCTG from either Brunei or the Philippines as not manufactured using hot-rolled steel from China.
- N. I understand that agents of the importer, such as brokers, are not permitted to make this certification. Where a broker or other party was used to facilitate the entry process, {NAME OF IMPORTING COMPANY} obtained the entry summary number and date of entry summary from that party.
- O. This certification was completed at or prior to the date of entry summary.
- P. I am aware that U.S. law (including, but not limited to, 18 U.S.C. 1001) imposes criminal sanctions on individuals who knowingly and willfully make material false statements to the U.S. government.

Signature

NAME OF COMPANY OFFICIAL

TITLE

DATE

[FR Doc. 2022-05837 Filed: 3/18/2022 8:45 am; Publication Date: 3/21/2022]